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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

OMB APPROVAL	
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SEC FILE NUMBER
8-68124

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/19 AND ENDING 12/31/19  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: de Koning Capital Markets, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

155 S. Madison Street, Suite 237

(No. and Street)

DenverCO80209

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Kendrik de Koning (303) 864-1213

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Harding & Hittesdorf, PC

(Name - if individual, state last, first, middle name)

650 S. Cherry Street, Suite 1050 DenverCO80246

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:



Certified Public Accountant



Public Accountant



Accountant not resident in United States or any of its possessions.

SEC Mail Processing  
MAR 02 2020  
Washington, DC

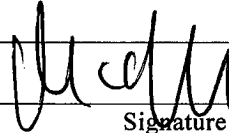
**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

## OATH OR AFFIRMATION

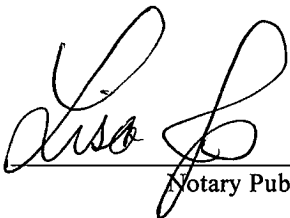
I, Kendrik de Koning, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of de Koning Capital Markets, LLC, as of December 31, 2019, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

none

  
Signature

President

Title

  
Notary Public

**LISA JENS  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20184040217  
MY COMMISSION EXPIRES 10/12/2022**

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

DE KONING CAPITAL MARKETS, LLC  
DBA TRANSWESTERN CAPITAL MARKETS, LLC  
(SEC File No. 8-68124)

Report of Independent Registered Public Accounting Firm  
On Financial Statements and Supplemental  
Schedules for the Year Ended December 31, 2019  
Including Report of Independent Registered Accounting Firm on Exemption Report

DE KONING CAPITAL MARKETS, LLC  
DBA TRANSWESTERN CAPITAL MARKETS, LLC

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# HARDING AND HITTESDORF, P.C.

Certified Public Accountants

650 S. Cherry Street, Suite 1050  
Denver, Colorado 80246  
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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members  
de Koning Capital Markets, LLC  
dba TransWestern Capital Markets, LLC  
Denver, Colorado

### **Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC (a limited liability company) as of December 31, 2019, the related statements of operations, changes in member's equity and cash flows for the year then ended, and the related notes and schedules (collectively referred to as the financial statements). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC as of December 31, 2019, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

These financial statements are the responsibility of de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC's management. Our responsibility is to express an opinion on de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

### **Auditor's Report on Supplemental Information**

The supplemental information contained in Schedules I and II has been subjected to audit procedures performed in conjunction with the audit of de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC's financial statements. The supplemental information is the responsibility of de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information contained in Schedules I and II, including its form and content, is presented in conformity with 17 C.F.R. Section 240.17a-5. In our opinion, the supplemental information contained in Schedules I and II is fairly stated, in all material respects, in relation to the financial statements as a whole.

  
HARDING AND HITTESDORK, P.C.

Certified Public Accountants

We have served as de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC's auditor since 2010.

Denver, Colorado

February 25, 2020

**DE KONING CAPITAL MARKETS LLC**  
**DBA: TRANSWESTERN CAPITAL MARKETS LLC**

Statement of Financial Condition

As of December 31, 2019

	<u>Dec 31, 19</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1stBank - Checking	257,277.32
Investment - TWSGX	446,613.22
FINRA Daily Account	728.36
Total Checking/Savings	<u>704,618.90</u>
Other Current Assets	
Acc'd Income - Commissions, Net	12,771.60
PrePaid Expenses	2,312.31
Total Other Current Assets	<u>15,083.91</u>
Total Current Assets	<u>719,702.81</u>
<b>TOTAL ASSETS</b>	<u><u>719,702.81</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	4,738.45
Total Accounts Payable	<u>4,738.45</u>
Total Current Liabilities	<u>4,738.45</u>
Total Liabilities	4,738.45
Equity	
Members Equity	
Redeemed Investments	-582,217.93
Member Investments	
Capital - K de K	-99,515.54
Capital - DC	-31,723.18
Total Member Investments	<u>-131,238.72</u>
Total Members Equity	<u>-713,456.65</u>
Retained Earnings	1,379,215.43
Net Income	49,205.58
Total Equity	<u>714,964.36</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>719,702.81</u></u>

DE KONING CAPITAL MARKETS LLC  
DBA: TRANSWESTERN CAPITAL MARKETS LLC

Statement of Operations

January through December 2019

	<u>Jan - Dec 19</u>
Ordinary Income/Expense	
Income	
Commission Revenue	76,377.44
Total Income	<u>76,377.44</u>
Gross Profit	76,377.44
Expense	
Bank Service Charges	144.00
Business License & Fees	70.00
FINRA/NASD Etc Fees	3,568.21
Fixed Income Clearing Exp	8,083.87
Insurance	
Fidelity Bond Coverage	518.50
Total Insurance	<u>518.50</u>
Professional Fees	
Accounting Fees	7,333.75
Total Professional Fees	<u>7,333.75</u>
Travel & Entertainment	
Meals	1,036.94
Travel	260.54
Total Travel & Entertainment	<u>1,297.48</u>
Shared Expenses	<u>22,411.70</u>
Total Expense	<u>43,427.51</u>
Net Ordinary Income	32,949.93
Other Income/Expense	
Other Income	
Gain (Loss) on Mutual Fund	4,970.36
Dividend Reinvestment Income	11,285.29
Total Other Income	<u>16,255.65</u>
Net Other Income	<u>16,255.65</u>
Net Income	<u><u>49,205.58</u></u>



DE KONING CAPITAL MARKETS, LLC  
DBA TRANSWESTERN CAPITAL MARKETS, LLC  
Statement of Changes in Members' Equity  
For the Year Ended December 31, 2019

Members' equity at January 1, 2019	\$ 665,759
Net income	49,205
Member distributions	<u>-</u>
Members' equity at December 31, 2019	<u><u>\$ 714,964</u></u>

See accompanying notes to financial statements.

DE KONING CAPITAL MARKETS LLC  
DBA: TRANSWESTERN CAPITAL MARKETS LLC

Statement of Cash Flows  
January through December 2019

	<u>Jan - Dec 19</u>
OPERATING ACTIVITIES	
Net Income	49,205.58
Adjustments to reconcile Net Income to net cash provided by operations:	
Acc'd Income - Commissions, Net	-12,771.60
PrePaid Expenses	-425.54
Accounts Payable	4,738.45
Net cash provided by Operating Activities	<u>40,746.89</u>
Net cash increase for period	<u>40,746.89</u>
Cash at beginning of period	<u>663,872.01</u>
Cash at end of period	<u><u>704,618.90</u></u>

DE KONING CAPITAL MARKETS, LLC  
DBA TRANSWESTERN CAPITAL MARKETS, LLC

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

A. Summary of Significant Accounting Policies

Organization

de Koning Capital Markets, LLC d/b/a TransWestern Capital Markets, LLC (the Company) is a Colorado limited liability company formed to provide institutional investors with securities execution and transactional advisory services. The Company's business is national in nature.

The Company is registered as a broker-dealer in securities with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulation Authority ("FINRA"). The Company operates pursuant to paragraph (k)(2)(B) of Rule 15c3-3 of the Securities and Exchange Act of 1934 (the "Act") and does not carry customer accounts or clear customer transactions, nor does it plan to hold any customers' securities or funds. As a result, the Company is exempt from the remaining provisions and requirements of Rule 15c3-3 of the Act. Under this exemption, *Computation for Determination of Reserve Requirements* and *Information Relating to Possession or Control Requirements* are not required.

Cash and Cash Equivalents

The Company considers cash on hand and investments with original maturities of three months or less to be cash equivalents.

Commissions Receivable

Commissions receivable are stated at cost less an allowance for doubtful accounts. The commissions are receivable from the Company's clearing firm on a monthly basis, reflecting the prior month's commission production. Management has determined that no allowance for doubtful accounts is deemed necessary at December 31, 2019. The Company's policy is not to accrue interest on commissions' receivable. If ever applicable, accounts will be written off as uncollectible at the time management determines that collection is unlikely.

DE KONING CAPITAL MARKETS, LLC  
DBA TRANSWESTERN CAPITAL MARKETS, LLC

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

A. Summary of Significant Accounting Policies (Continued)

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of temporary cash investments. The Company restricts temporary cash investments to financial institutions with high credit standing. Such temporary cash investments are often in excess of the FDIC insurance limit.

Income Taxes

The Company is not a taxpaying entity for federal or state income tax purposes. Accordingly, no income tax expense has been recorded in the financial statements. Income of the Company is taxed to the members' in their individual returns.

The Company records a liability for uncertain tax positions when it is more likely than not that a tax position would not be sustained if examined by the taxing authority. The Company continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. The Company's evaluation on December 31, 2019 revealed no uncertain tax positions that would have a material impact on the financial statements.

Interest and penalties associated with the Company's tax positions are reflected as interest expense in the financial statements. There were no interest or penalties incurred during the year ended December 31, 2019.

Brokerage Commissions

The Company buys and sells securities on behalf of its customers. Each time a customer enters into a buy or sell transaction, the Company earns a commission. Commissions & related clearing expenses are recorded on the last day of the month of the trade date (the date that the Company fills the trade order and confirms the trade with the customer). The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer.

DE KONING CAPITAL MARKETS, LLC  
DBA TRANSWESTERN CAPITAL MARKETS, LLC

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)." This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The Company adopted this ASU in January 2019 using a modified retrospective approach. The ASU did not have a material impact on its financial condition, results of operations or cash flows.

Advertising and Marketing Costs

Advertising and marketing costs are expensed as incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**B. Transactions with Related Entities**

The Company shares office space with a related entity. The Company pays a proportionate share based on revenue of the personal property, utilities and office space to the related entity. The management of the Company feels that this amount represents a reasonably approximate valuation of the personal property, utilities and office space provided. For the year ended December 31, 2019, the Company paid this related entity \$22,412. The Company owed this related entity \$0 at December 31, 2019.

**C. Statutory Requirements**

Pursuant to Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain minimum net capital as defined under such rule. At December 31, 2019, the Company's net capital was \$702,991 and the required net capital was \$5,000.

The Company is exempt from certain provisions of Rule 15c3-3 of the Securities Exchange Act of 1934 and, accordingly, is not required to maintain a "Special Account for Exclusive Benefit of Customers". Such exemption is in accordance with paragraph (k) (2) (ii) of the Rule.

DE KONING CAPITAL MARKETS, LLC  
DBA TRANSWESTERN CAPITAL MARKETS, LLC

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

D. Subsequent Events

Management has reviewed subsequent events through the date of the financial statements, which is the date the financial statements were available to be issued.

## SUPPLEMENTARY INFORMATION

DE KONING CAPITAL MARKETS, LLC  
DBA TRANSWESTERN CAPITAL MARKETS, LLC

SUPPLEMENTAL SCHEDULE OF COMPUTATION OF NET CAPITAL,  
MINIMUM NET CAPITAL REQUIRED, AND AGGREGATE INDEBTEDNESS

DECEMBER 31, 2019

COMPUTATION OF NET CAPITAL AND MINIMUM NET CAPITAL REQUIRED

MEMBERS' EQUITY	\$ 714,964
DEDUCTIONS:	
Haircuts on securities	( 8,932)
Nonallowable assets	( 3,041)
NET CAPITAL	<u>\$ 702,991</u>
MINIMUM NET CAPITAL REQUIRED (greater of 6-2/3% of aggregate indebtedness or \$5,000)	<u>\$ 5,000</u>

AGGREGATE INDEBTEDNESS

TOTAL LIABILITIES AND AGGREGATE INDEBTEDNESS	<u>\$ 4.738</u>
RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL	<u>.0067:1</u>

There is no material difference between the above net capital computation and the corresponding computation included in the Company's Form X-17A-5 Part IIA Filing.

SCHEDULE I



DE KONING CAPITAL MARKETS, LLC  
DBA TRANSWESTERN CAPITAL MARKETS, LLC

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
FOR BROKERS AND DEALERS PURSUANT TO RULE 15c3-3

DECEMBER 31, 2019

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k) (2) (ii) of the Rule.

SCHEDULE II

# HARDING AND HITTESDORF, P.C.

Certified Public Accountants

650 S. Cherry Street, Suite 1050  
Denver, Colorado 80246  
(303) 393-0888  
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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members

of de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(2)(ii) (exemption provisions) and (2) de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC stated that de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about de Koning Capital Markets, LLC dba TransWestern Capital Markets, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Harding and Hittesdorf, P.C.*

HARDING AND HITTESDORF, P.C.

Denver, Colorado

February 25, 2020

**TRANSWESTERN CAPITAL MARKETS, LLC**

**EXEMPTION REPORT**

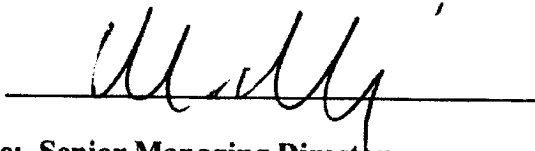
**TransWestern Capital Markets, LLC, (Company) is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. §240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:**

- 1. The Company claimed an exemption from 17 C.F.R. §240.15c3-3 under the following provisions of 17 C.F.R. §240.15c3-3 (k):(2)(ii)**
- 2. The Company met the identified exemption provisions in 17 C.F.R. §240.15c3-3(k) throughout the most recent fiscal year without exception.**

**TransWestern Capital Markets, LLC**

**I, Kendrik de Koning, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.**

**By:**



**Title: Senior Managing Director**

**February 24, 2020**